

Message Text

CONFIDENTIAL

PAGE 01 BONN 05035 271027Z

51

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04 CEA-01 L-02

H-02 PA-01 PRS-01 USIA-06 /086 W
----- 001519

R 271017Z MAR 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 8990

INFO AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY BERN

AMEMBASSY VIENNA

USMISSION EC BRUSSELS

USMISSION OECD PARIS

C O N F I D E N T I A L BONN 05035

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E.O. 11652: GDS

TAGS: EFIN, GW

SUBJECT: FRG COMMENTS ON SWISS MINI-SNAKE POSSIBILITIES

1. FINANCE MINISTRY ASSISTANT SECRETARY HANS-HERBERT
WEBER TOLD THE ECON/COML COUNSELOR THAT WHILE THE FRG
WELCOMED THE SWISS INTO THE MINI SNAKE, THE SWISS MUST
MAKE UP THEIR OWN MINDS ON THE SUBJECT AND SUBMIT A
FORMAL APPLICATION. HE FELT THE ISSUE WAS LESS SURE
NOW AFTER THE MEETING WITH THE SWISS IN VIENNA ON
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 05035 271027Z

MARCH 21-22 THAN IT WAS ON THE 18TH WHEN THE

"SNAKE MINISTERS" MET IN BRUSSELS. HE EXPECTED THE SWISS WILL SAY WHAT THEY WANT ON APRIL 9 WHEN THE CENTRAL BANKERS GATHER IN BASEL.

2. WEBER STATED THAT WHILE THE CENTRAL BANK GOVERNORS HAVE A "MANDATE" TO DEAL WITH THE SWISS, HE EMPHASIZED THAT IT WAS A DECISION "... THAT CANNOT BE LEFT TO THE CENTRAL BANKERS ALONE...";THE SNAKE MINISTERS MUST MAKE THE FINAL DETERMINATION OF THE ACCEPTABILITY OF THE SWISS. THREE ISSUES STOOD OUT AS IMPORTANT:

(A) THE SWISS MUST MAKE A CLEAR DECLARATION OF INTENT REGARDING THE DURATION OF THEIR ASSOCIATION, SINCE NO SHORT-TERM IN-AND-OUT POSSIBILITY COULD BE CONTEMPLATED;

(B) THE RATE OF EXCHANGE FIXED ON ENTRY; AND

(C) WHETHER THE SWISS CAN DO MORE RE CAPITAL TRANSFER CONTROL.

3. ON ISSUE (A) WEBER FELT THAT THERE WERE AMPLE ASSURANCES GIVEN IN VIENNA CONCERNING THE SERIOUSNESS OF THE SWISS STAYING IN FOR AN UNLIMITED PERIOD--IF THEY COME IN AT ALL. IT IS ON THE OTHER TWO POINTS WHERE QUESTIONS STILL ARISE. PROVIDED THAT THE SWISS DO DECIDE THEY WANT IN, WEBER ASSERTED, THEY MUST THEN DEAL WITH THESE OPEN ISSUES IN A MANNER SATISFACTORY TO THE CENTRAL BANK GOVERNORS IN ORDER THAT THE MATTER THEN PROCEED FURTHER.
HILLENBRAND

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CENTRAL BANK, MINI-SNAKE, FOREIGN EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 27 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BONN05035
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750107-0858
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750311/aaaaajlt.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 07 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 APR 2003 by KelleyW0>; APPROVED <08 APR 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FRG COMMENTS ON SWISS MINI-SNAKE POSSIBILITIES
TAGS: EFIN, GE, SZ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006